

ORIGINAL

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October 5, 2007

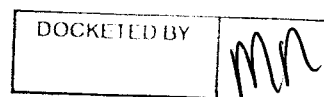
Via Overnight Mail

Docket Office
Arizona Corporation Commission
Utilities Commission
1200 W. Washington Street
Phoenix, AZ 85007

Arizona Corporation Commission

DOCKETED

OCT 09 2007



RE: Horizon Telecom, Inc., d/b/a Horizon Telecom of Nevada, Inc.
Responses to Staff's Second Set of Data Requests
Docket No. T-04306A-05-0091

Dear Sir or Madam:

Please find enclosed an original and thirteen (13) copies of the Responses to Staff's Second Set of Data Requests in the above matter.

An additional copy of this letter has been enclosed to be date stamped and returned in the envelope provided as evidence of the filing.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Becky Heggelund

Enclosure
AZ CORP COMMISSION
DOCKET CONTROL

2007 OCT -9 P 12:47

RECEIVED

**RESPONSES TO STAFF'S SECOND SET OF DATA REQUESTS TO
HORIZON TELECOM, INC. DB/A HORIZON TELECOM OF NEVADA, INC.
DOCKET NO. T-04306A-05-0091**

- 2-1 Question: If applicable, please update the proposed tariff submitted in the application.
- 2-1 Answer: The company address and telephone numbers have been changed. The new address is:
- 3993 Howard Hughes Parkway, Suite 250
Las Vegas, NV 89109
Ph. (877) 739-7995
Fax (877) 539-7984
- 2-2 Question: If applicable, please update the company's response to questions (A-8-2) and (A-8-3) of the application. Also, please provide a detailed summary of the technical and education backgrounds of those individuals listed as officers and directors of the company. Please include the years of experience each individual has in the telecommunications industry and in what capacity.
- 2-2 Answer: (A-8-2) The Company was purchased by Robert Sorrentino in December 2005. (A-8-3) Mr. Sorrentino owns 100% of the stock of Horizon.
- Mr. Sorrentino's resume' is attached.
- 2-3 Question: If applicable, please update Horizon's response to questions (A-11) and (A-12) of the application.
- 2-3 Answer: The Federal Communications Commission has issued an Enforcement Bureau inquiry in Docket EB-07-TC-4006 for unauthorized switching of customers. Horizon had contracted with a third-party telemarketing firm which did not adhere to the requested script. Horizon fired the telemarketing firm when the complaints began to arrive. The company has taken proactive steps in addressing the complaints and is working with the FCC to resolve the issues.
- 2-4 Question: If applicable, please update your response to questions (A-18) and (A-19) of the application. Please state whether the Applicant has ceased service in any jurisdiction listed and whether the Applicant has commenced service in any jurisdiction not listed in the application.
- 2-4 Answer:)(A-18) The company is certified to provide services in all of the states listed and in addition is certified in the states of Arkansas, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Massachusetss, Maryland, Maine, Minnesota, Missouri, Nebraska, New Mexico, New Yor, Ohio, Oklahoma, Pennsylvania, South Dakota, Vermont, West Virginia and Wyoming. (A-19)

2-5 Question: Please submit updated financial information requested in Section (B) of the application.

2-5 Answer: Please find attached.

RESUME OF ROBERT SORRENTINO

Mr. Sorrentino has been involved in telecommunications since 1987. He has both managed and acted as a consultant to numerous operator service and payphone providers, long distance carriers, and local exchange carriers. He has experience in many Telecom areas, including contract negotiation, network services, provisioning, back office support, billing and collections, customer support, data systems, and day to day operations. Mr. Sorrentino was the founder and President of Nationwide Telecom, Inc., a provider of 1+ service throughout the eastern and southern United States.

3:36 PM
10/04/07
Cash Basis

Horizon Telecom, Inc.
Balance Sheet
As of December 31, 2006

	Dec 31, 06
ASSETS	
Current Assets	
Checking/Savings	
HRZ REG WACH	2,360.24
Wachovia - Escrow with DBG.	34,643.38
Total Checking/Savings	37,003.62
Other Current Assets	
Due From Shareholder	100.00
Total Other Current Assets	100.00
Total Current Assets	37,103.62
Other Assets	
Access base	
A/A - Access base	-889.00
Access base - Other	41,347.10
Total Access base	40,658.10
Total Other Assets	40,658.10
TOTAL ASSETS	77,761.72
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due To Adv Mrktg	20,000.00
Due to CPM - Accru	31,450.00
Due to CPM DBG - P	4,508.04
Total Other Current Liabilities	55,956.04
Total Current Liabilities	55,956.04
Total Liabilities	55,956.04
Equity	
Common Stock	100.22
Retained Earnings	-7,152.71
Net Income	28,858.17
Total Equity	21,805.68
TOTAL LIABILITIES & EQUITY	77,761.72

3:34 PM
10/04/07
Cash Basis

Horizon Telecom, Inc.
Profit & Loss
January through December 2006

	Jan - Dec 06
Income	
Fee Income	1,303,727.86
Total Income	1,303,727.86
Cost of Goods Sold	
Network Costs	339,808.13
Switching Fees	162.83
Systems Management	150,133.61
Total COGS	490,105.57
Gross Profit	813,622.29
Expense	
Amortization	688.00
Bank Service Charges	1,141.02
billing and printing	7,419.43
CS-SAB	84,197.09
gross payroll	125,000.00
Marketing	349,553.22
MERCHANT BILLING	
CARD MIN BILL FEE	60.00
MERCHANT BILLING - Other	490.50
Total MERCHANT BILLING	550.50
Office Expense	108.77
Payroll Tax Expense	1,812.50
Pension Expense	4,506.04
Postage-charged for mail forward	886.81
Postage/Pitneybowes - CS-SAB	5,814.90
Prof. Fees	
Prof. Fees - CPA's	2,375.00
Prof. Fees -Legal	28,569.77
Regulatory & Accounting	98,760.23
Total Prof. Fees	130,735.00
Registered Agents	6,280.00
Regulatory Expense	64,436.55
Taxes - State Corp.	1,833.29
void	0.00
Total Expense	784,764.12
Net Income	28,858.17